

Under Embargo until 0:01, 11 June 2019

Employers expect a soft hiring pace for the third quarter ManpowerGroup Employment Outlook Survey

- **Employers in four of the six regions expect to add to payrolls and the North is where the strongest labor market is forecast (+9%)**
- **Workforce gains are expected in three sectors, with Construction sector employers reporting an Outlook of +6%, and Outlooks of 3% reported in both the Manufacturing sector and the Public & Social sector**
- **Globally employers expect workforce gains in 43 of 44 countries and territories surveyed in the period up to the end of September 2019**

Madrid, 11 June 2019 - According to the data from the ManpowerGroup Employment Outlook Survey for the third quarter of 2019, hiring intentions among Spanish employers are stable. Of the 1,000 Spanish employers who participated in the third-quarter survey, 7% plan to add to their workforce in the next three months, 5% intend to reduce staff and 84% plan no changes. Once the corresponding seasonal adjustments have been made, **Spain's Net Employment Outlook stands at +1% resulting in a soft hiring pace for the third quarter.**

Hiring plans are unchanged when compared with the previous quarter but decline by 2 percentage points in comparison with this time one year ago.

The ManpowerGroup Employment Outlook Survey, which was conducted in Spain for the first time in 2003, analyzes the intention of employers worldwide to increase or reduce their teams quarterly, through interviews done with more than 59,000 employers in 44 countries. All employers responded to the question, "How do you anticipate total employment at your location to change in the three months to the end of September 2019 compared to the current quarter?"

Payroll gains in four of the six regions

The study carried out by ManpowerGroup divides the country into six regions in order to calculate the Outlook in each of them: Center (Castile-La Mancha and Madrid); East (The Valencian Community and Murcia); North (Aragon, Cantabria, La Rioja, Navarre and the Basque Country); North East (The Balearic Islands and Catalonia); North West (Asturias, Castile and León, and Galicia); and South (Andalusia, The Canary Islands and Extremadura). Using this classification, the data anticipates payroll gains in four of the six regions.

In concrete terms, the strongest labor market is forecast for the North, where the Net Employment Outlook is +9%. Elsewhere, modest hiring plans are reflected in Outlooks of +4% in both the North East and the North West, while the Outlook for the Centre is

+3%. However, employers in both the South and the East expect to trim payrolls, reporting Outlooks of -8% and -3%, respectively.

| Net Employment Outlook by regions | | | | | |
|-----------------------------------|------|------|------|------|------|
| Regions | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 3Q19 |
| Centre | 1% | 5% | 6% | 4% | 3% |
| East | 0% | 9% | 4% | 1% | -3% |
| North | 0% | 4% | 8% | 1% | 9% |
| North East | 4% | 8% | 10% | 7% | 4% |
| North West | 3% | 4% | 1% | -2% | 4% |
| South | 1% | -1% | -3% | -10% | -8% |

Source: ManpowerGroup

When compared with the previous quarter, hiring intentions strengthen in three of the six regions, most notably by 9 percentage points in the North and by 5 percentage points in the North West. However, Outlooks decline in three regions, including the East and the North East where employers report decreases of 3 and 2 percentage points, respectively.

Hiring prospects also strengthen in three of the six regions when compared with this time one year ago. The Outlook for the North is 9 percentage points stronger, and increases of 2 percentage points are reported in the Centre and the North West. Meanwhile, hiring prospects are 9 percentage points weaker in the South and decline by 6 percentage points in the East.

Payroll increases expected in 3 industry sectors

Employers in seven of the 10 industry sectors expect to trim payrolls during the July-September period. Transport, Storage & Communications sector employers anticipate the weakest labor market, reporting a Net Employment Outlook of -4%. Elsewhere, the Electricity, Gas & Water sector Outlook stands at -3%, and employers in three sectors report Outlooks of -2% (the Mining & Quarrying sector, the Restaurants & Hotels sector and the Wholesale & Retail Trade sector). However, workforce gains are expected in three sectors, with Construction sector employers reporting an Outlook of +6%, and Outlooks of +3% reported in both the Manufacturing sector and the Public & Social sector.

When compared with the previous quarter, hiring prospects improve in five of the 10 industry sectors, most notably by 6 percentage points in both the Public & Social sector and the Restaurants & Hotels sector. Meanwhile, Outlooks weaken in five sectors, including the Electricity, Gas & Water sector, where employers report a decline of 10 percentage points. Mining & Quarrying sector employers report a decrease of 8 percentage points, and the Outlook for the Wholesale & Retail Trade sector declines by 6 percentage points.

Employers in seven of the 10 industry sectors report weaker hiring plans when compared with this time one year ago. A considerable decline of 17 percentage points is reported in the Restaurants & Hotels sector, and Outlooks are 9 percentage points weaker in two sectors (the Electricity, Gas & Water sector and the Transport, Storage & Communications sector). Agriculture, Hunting, Forestry & Fishing sector employers report a decrease of 8 percentage points, while the Outlook for the Mining & Quarrying sector declines by 5 percentage points. However, hiring intentions strengthen in three sectors, most notably by 4 percentage points in the Construction sector.

Large employers report the strongest hiring prospects

Participating employers are categorized into one of four organization sizes: Micro businesses have less than 10 employees; Small businesses have 10-49 employees; Medium businesses have 50-249 employees; and Large businesses have 250 or more employees.

Employers in three of the four organization size categories expect to add to payrolls during the next three months. Large employers report healthy hiring prospects with a Net Employment Outlook of +21%. Elsewhere, some job gains are expected in the Medium size category with an Outlook of +7%, and the Outlook for Small employers stands at +1%. However, Micro employers expect a flat labor market, reporting an Outlook of 0%.

| Net Employment Outlook by size | | | | | |
|--------------------------------|------|------|------|------|------|
| Size | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 3Q19 |
| Micro | 0% | 4% | 2% | -2% | 0% |
| Small | 7% | 5% | 7% | 6% | 1% |
| Medium | 6% | 16% | 16% | 12% | 7% |
| Large | 18% | 25% | 20% | 16% | 21% |

Source: ManpowerGroup

Small- and Medium-size employers report weaker hiring intentions when compared with the previous quarter, with Outlooks declining by 4 percentage points. Meanwhile, Outlooks in both the Micro- and Large-size categories are 2 percentage points stronger.

Year-over-year, Large employers report an improvement of 7 percentage points, but the Outlook for Small firms declines by 7 percentage points. Hiring plans remain relatively stable in both the Micro- and Medium-size categories.

Greek, Croatian and Slovenian employers report the strongest hiring prospects in EMEA

On a global level, the ManpowerGroup research for the third quarter of 2019 reveals employers expect workforce gains in 43 of 44 countries and territories surveyed in the period up to the end of September.

When compared with the previous quarter, employers in 18 of 44 countries and territories report stronger hiring prospects, while employers in 18 report weaker hiring plans and no change is anticipated in eight. In a comparison with the same period last year, hiring intentions strengthen in 12 countries and territories, but weaken in 26 and are unchanged in six. The strongest hiring sentiment is reported in Japan, Croatia, Taiwan, the U.S., Greece and Slovenia, while the weakest hiring prospects are reported for Hungary, Argentina and Italy.

Payroll gains are anticipated by employers in 25 of 26 Europe, Middle East & Africa (EMEA) region countries surveyed during the next three months, while employers in Hungary expect to trim payrolls. When compared with the second quarter of 2019, hiring prospects improve in five countries but weaken in 14. In a comparison with the third quarter of 2018, Outlooks also strengthen in five countries, but decline in 17. The strongest hiring expectations for the coming quarter are reported in Croatia, Greece and Slovenia, while employers in Hungary, Italy and Spain report the weakest hiring plans.

Employers in all eight Asia Pacific countries and territories surveyed expect to grow payrolls in the three months to September 2019. Employers in Japan and Taiwan anticipate the strongest hiring activity during the third quarter of 2019, while the weakest Outlooks are reported in China, New Zealand and Singapore.

Job seekers in all 10 Americas countries surveyed can expect hiring opportunities in the forthcoming quarter, according to employers. When compared with the previous quarter, hiring prospects improve in eight countries, but weaken in two. In a comparison with the same period last year, Outlooks improve in five countries but decline in four. U.S. and Canadian employers report the strongest hiring prospects for the coming quarter, while the weakest Outlooks are reported in Argentina and Panama.

Note to Editors:

Full survey results for each of the 44 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found at <https://www.manpowergroup.com/workforce-insights/data-driven-workforce-insights/manpowergroup-employment-outlook-survey-results>. The next Manpower Employment Outlook Survey will be released in September 2019 to report hiring expectations for the third quarter of 2019.

About the Survey

The Manpower Employment Outlook Survey is the longest-running, most extensive, forward-looking employment survey in the world, commencing in 1962 and now polling over 59,000 employers in 44 countries and territories to measure their intentions to increase or decrease the number of employees in their workforce during the next quarter. The survey serves as a bellwether of labor market trends and activities and is regularly used to inform the Bank of England's Inflation Reports, as well as a regular data source for the European Commission, informing its EU Employment Situation and Social Outlook report the *Monthly Monitor*. ManpowerGroup's independent survey data is also sourced by financial analysts and economists around the world to help determine the health of labor markets.

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About ManpowerGroup

ManpowerGroup (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for over 400,000 clients and connect 3+ million people to meaningful, sustainable work across a wide range of industries and skills. Our expert family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for 70 years. In 2019, ManpowerGroup was named one of Fortune's Most Admired Companies for the seventeenth year and one of the World's Most Ethical Companies for the ninth year in 2018, confirming our position as the most trusted and admired brand in the industry.. See how ManpowerGroup is powering the future of work: www.manpowergroup.com

If you need more information, graphs and data, please contact:

ManpowerGroup, Communications Department

Alexia Acosta, Tel. + 34 678 75 02 20, alexia.acosta@manpowergroup.es